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PRESIDENT'S ADVISORY  
BOARD  
ON FEDERAL TAX REFORM

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Senator Connie Mack  
The President's Advisory Panel on Federal Tax Reform  
1440 New York Avenue NW  
Suite 2100  
Washington, DC 20220

Dear Senator Mack:

I am delighted that President Bush has begun the process of tax reform and that you have been selected to lead. Please consider my comments as my experiences and my desires to correct a tax burden that has restricted American prosperity and compromised the integrity of so many otherwise honest people.

1. **Headaches:** The dread of filing a 1040 A form with the attachments, the record keeping and collections of documents from several sources, plus the expense of paying an accountant \$200 is a burden for someone on a modest retirement income supplemented by Social Security.
2. **Unfair aspects:**
  - The disproportionate share of tax revenue taken from the most successful American is unfair.
  - It is unfair to allow illegal aliens to draw on the wealth of the nation and not pay tax on that income or earnings.
  - It is unfair to force companies to collect taxes for any government. The number of employees required, the office resources devoted to this

administrative assignment and the liability assumed by the company is forced servitude and costs the employees and shareholders of the business.

- Special consideration for mortgage interest for homebuyers, persons who make less than the government's view of poverty, tax credits for farmers, ranchers or those who purchase certain energy-saving appliances or automobiles is grossly unfair.

**3. Specific Examples of how the tax code distorts important business and personal decisions:**

- After retiring at age 58 I was offered full-time employment in the same field but was unwilling to pay additional income taxes plus FICA and Medicare for income that would not significantly improve my standard of living. I chose to work only part-time for companies with work that interested me.
- I chose to not start up my own consulting firm with employees because I do not want the burden of administering government policy.
- I have been limited in providing low cost or no-interest loans to my children and friends because money taken from my retirement account would be taxed at a rate that would be much higher than conventional interest at banks.

**4. Goals:**

- Reform should remove the bias of a progressive burdensome tax code. The ideal reform would make every wage earner accountable for the taxes owed based on consumption of goods and services. No corporate entity

should be taxed. That is ultimately double taxation and forced servitude.

The best tax system should remove any enticement for any government official, elected or appointed, to make exceptions for any American or foreign resident. Taxes, or the exemption from taxation, should never be viewed as a method of economic stimulus nor should government have the power to manipulate markets by tax treatment.

- Any reform should be revenue neutral immediately with our national debt paid in full within 5 years.
- The best plan I have seen is/was H. R. 25 authored by Congressman John Linder. A national retail sales tax with provision for basic living necessities.

Thank you very much for the opportunity to comment on this most important matter. We are being unfairly and overtaxed. Hopefully your recommendations will be thoughtfully considered by President Bush and acted upon by Congress as soon as possible.

Respectfully,

  
Phillip E. Myers